

MGMT90139 Alliance Contracting

Credit Points:	12.50
Level:	9 (Graduate/Postgraduate)
Dates & Locations:	<p>This subject is not offered in 2013. Day 1: Government procurement of major projects and how alliance contracts differ in their operation from PPPs and traditional contracts Day one begins with a general orientation to the course and sharing of participants' experience, including a panel session to highlight critical issues and focus discussion. The afternoon uses case studies to examine the role of alliances within procurement to identify projects where the method is best suited. Day 2: Framing the solution: Characteristics of an Alliance Day two examines alliances in more detail: What is an alliance and what is not an alliance; history and development; roles and responsibilities; terminology and use of language; legal and commercial structures; benefits and constraints; serving the public interest – what is the public interest? How do you measure it? The day will leave participants with a detailed understanding of the practical realities of alliances and how to influence a project to achieve sound outcomes. Numerous case studies will enliven the principles underpinning the new alliance policy. Day 3: Costing and Risk: Developing the Commercial Framework plus Contract negotiation Day three covers utilisation and appropriate structuring of market engagement strategies to arrive at a competitive alliance agreement. Participants will learn the importance of developing a strategy for the engagement process; having a detailed understanding of market conditions; being competent in first principle estimating; and how to drive a project to success through risk and reward regimes within the boundaries of commercial reality. Case studies will be used to explore the details of Target Outturn Costs and commercial decisions on projects insurances and incentives will also be explored. Day 4: Team and Governance Day four investigates how to build an effective alliance team; what is exceptional performance? How can this be achieved? Do you need it? What are the key roles need to achieve this? Participants will understand their respective team role preferences and styles to help them best assign project roles according to team member strengths. Case studies will demonstrate key principles and their importance to projects and will provide frameworks to assess project proposals. Day 5: Reporting and Review Day five provides theoretical and practical frameworks for good project governance through effective management and reporting. Numerous reporting mechanisms are expected through the life of the alliance, as well as the VFM Report post project completion. These will be specifically addressed.</p>
Time Commitment:	Contact Hours: 24 hours of intensive workshops over 5 days Total Time Commitment: 120 hours
Prerequisites:	None
Corequisites:	None
Recommended Background Knowledge:	None
Non Allowed Subjects:	None
Core Participation Requirements:	This course is considered suitable for any government or private sector staff who have, or may have involvement in alliancing as a method for delivering projects. This could include project managers, engineers and commercial managers. Places are strictly limited to a maximum of 25 to reflect the executive style of delivery and the interactive and practical approach to course activities.
Contact:	<p>School of Melbourne Custom Programs</p> <p>Kathy Griffiths Project Manager Tel: +61 3 9810 3174 Fax: +61 3 9810 3149 Email: kg@unimelb.edu.au (mailto:kg@unimelb.edu.au)</p>
Subject Overview:	Alliance contracting is a common procurement and delivery method that has been used to successfully deliver complex, costly projects in the public and private sectors. Governments across Australia support alliance contracting, which now represents one third of the total value of public sector infrastructure projects delivered in Australia.

	<p>In 2009, the Inter-Jurisdictional Alliancing Steering Committee (consisting of the Treasuries of Victoria, Queensland, Western Australia and New South Wales, and, from June 2010, the Commonwealth Department of Infrastructure and Transport) commissioned a study titled, In Pursuit of Additional Value: A benchmarking study into Alliancing in the Australian Public Sector. The study identified the need to increase the capacity and capability of the public sector to successfully manage the rising number and cost of government projects delivered using Alliance Contracting whilst ensuring transparency of the public interest.</p> <p>The Steering Committee is implementing the study's key recommendations, which are reflected in The National Alliance Contracting Policy and Guidelines and has policy responsibility for the whole of government approach to alliance contracting.</p> <p>This course has been developed on behalf of the Inter-Jurisdictional Alliancing Steering Committee and with input and funding from the Commonwealth Department of Infrastructure and Transport (DOIT) to build skills in the management of alliances in a commercially sensitive manner. The course is designed to promote best-practice, and to drive greater value for money from Alliance Contract projects in line with the public interest.</p>
Objectives:	<p>During a five day intensive program the course will cover the philosophy, management and practice of delivering commercially astute alliance contracts in the context of the Australian construction industry.</p> <p>It aims to improve participants' understanding of the techniques, mindsets and attitudes required to successfully deliver projects using the alliance approach and subsequently ask the right questions for the selection, development, procurement and implementation of alliance contracts and understand the boundaries of commercial reality, how to preserve the public interest, and enhance the ability to negotiate and manage these agreements with an improved ability to withstand public scrutiny.</p> <p>Course participants will leave with the ability to:</p> <ul style="list-style-type: none"> # Discuss the importance of sound commercial practice in the application of alliance contracting as a procurement strategy for public projects, # Describe the details of a Target Outturn Cost in both price competition and non-price competition alliances, considering prevailing market conditions, # Identify issues, risks and opportunities in the lifecycle of a successful alliance project, # Discuss the establishment, delivery and management of alliancing projects to preserve the public interest; and # Conduct standard reporting processes for alliance contracts such as a Value for Money review.
Assessment:	<p>15% Pre-course submission 10% Daily learning reflection (500 words) - due at the end of each of the 5 days 15% Consolidation of subject workshop activities (1000 words) - due one week after the intensive delivery 60% Major paper on alliance issue - 10% on group discussion and 50% on 2500 words written submission</p>
Prescribed Texts:	<p>All class materials will be provided.</p>
Breadth Options:	<p>This subject is not available as a breadth subject.</p>
Fees Information:	<p>Subject EFTSL, Level, Discipline & Census Date, http://enrolment.unimelb.edu.au/fees</p>
Links to further information:	<p>http://www.mccp.unimelb.edu.au/courses/professional-development/alliance_contracting</p>